David L. Jones Air Pollution Control Officer

July 30, 2010

Mr. Jared Blumenfeld, Regional Administrator Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105

Regarding: Implementation of Greenhouse Gas Tailoring Rule for PSD and Title V

Dear Mr. Blumenfeld,

This letter is being submitted pursuant to the notification request in EPA's recently promulgated "Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule" (Tailoring Rule) at 75 FR 31514, Sections IV.C and V.C.5.

The Eastern Kern Air Pollution Control District (EKAPCD) currently does not implement a Prevention of Significant Deterioration (PSD) program. The District does implement an approved Title V permitting program under Part 70.

EKAPCD is participating in coordinated efforts with the California Air Pollution Control Officers Association (CAPCOA) on PSD and the Tailoring Rule. CAPCOA is undertaking development of two model rules. One rule will implement all the program requirements of PSD, and the other will implement the requirements of the Tailoring Rule. Both efforts are being undertaken in collaboration with EPA Region IX staff.

EKAPCD previously adopted Rule 210.4 in July 1999 to implement a PSD program. Rule 210.4 was submitted to EPA in 1999, but no action by EPA has been taken in regards to that submittal. Rule 210.4 adopts Part 52.21, Chapter 1, Title 40, of the Code of Federal Regulations by reference, but the rule would require amendment of the section describing the purpose and applicability in order to meet the requirements of the Tailoring Rule. The EKAPCD will either amend this rule to ensure it is consistent with EPA's new requirements or replace it with the PSD model rule developed in the CAPCOA effort being led by Placer County Air Pollution Control District. At a minimum, the CAPCOA model rule will incorporate the PSD program by reference, and it may include more specific local implementation language. Any questions on this model rule effort should be directed to Tom Christofk, the Air Pollution Control Officer in Placer County.

EKAPCD's existing Title V Rule 201.1 would require modification, and the existing New Source Review Rule 210.1 may require a minor modification in order to implement Title V on GHG sources "subject to regulation" as established by EPA. The EKAPCD will either amend these two rules to ensure they are consistent with EPA's requirements or will adopt another rule

that is based on the CAPCOA effort to produce a model general prohibitory rule for GHGs. The CAPCOA model rule will (1) establish major source and major modification thresholds for GHGs consistent with PSD regulations and the Tailoring Rule for Districts with SIP approved PSD programs; (2) allow sources to limit their potential to emit GHGs consistent with the procedures and principles developed with EPA for Title V sources of other regulated air pollutants; and (3) establish monitoring, recordkeeping, reporting, enforcement, and other administrative requirements. Questions about the second model rule should be directed to Barbara Lee, the Air Pollution Control Officer in Northern Sonoma.

Because of the shortness of time frames in implementing the Tailoring Rule, CAPCOA does not yet have model language for EKAPCD to evaluate, however we expect to have language in the next 60 days. EKAPCD is also developing the amendments to their existing rules in this same period. EKAPCD will inform EPA Region IX of our intent to adopt either of these model rules by October 1, 2010, or whether we will pursue amendments to our existing rules.

In order to provide time for public review and comment, the adoption of amendments to existing rules or adoption of new rules by the EKAPCD will be considered by our Governing Board at their regularly scheduled meeting on January 13, 2011. If this date is unsatisfactory to your agency, please notify us within thirty days of receipt of this letter.

If you have any questions regarding the individual model rules, please address them to the contacts identified for the rules. You are welcome to contact me about modifications to existing EKAPCD rules or with any other questions.

Sincerely,

David L. Jønes

Air Pollution Control Officer

DLJ: dm

cc: Deborah Jordan Mat Ehrhardt